

## **MINUTES**

### **MONTANA HOUSE OF REPRESENTATIVES 59th LEGISLATURE - REGULAR SESSION**

#### **COMMITTEE ON EDUCATION**

**Call to Order:** By **CHAIRMAN KATHLEEN GALVIN-HALCRO**, on March 23, 2005 at 3:18 P.M., in Room 137 Capitol.

#### **ROLL CALL**

**Members Present:**

Rep. Kathleen Galvin-Halcro, Chairman (D)  
Rep. Joan Andersen, Vice Chairman (R)  
Rep. Gary Branae, Vice Chairman (D)  
Rep. Edward B. Butcher (R)  
Rep. Margaret H. Campbell (D)  
Rep. Tim Dowell (D)  
Rep. Wanda Grinde (D)  
Rep. Roger Koopman (R)  
Rep. Bob Lake (R)  
Rep. Joe McKenney (R)  
Rep. Holly Raser (D)  
Rep. Scott Sales (R)  
Rep. Jon Sonju (R)  
Rep. Dan Villa (D)  
Rep. John Ward (R)  
Rep. Jeanne Windham (D)

**Members Excused:** None.

**Members Absent:** None.

**Staff Present:** Eddye McClure, Legislative Branch  
Nina Roatch-Barfuss, Committee Secretary  
Linda Keim, Transcribing Secretary

**Please Note.** These are summary minutes. Testimony and discussion are paraphrased and condensed.

**Committee Business Summary:**

Hearing & Date Posted: SB 460, 3/7/2005; SB 363, 3/9/2005;  
SB 419, 3/7/2005  
Executive Action: SB 363; SB 460

**HEARING ON SB 460**

**Sponsor:** SENATOR DAN WEINBERG, SD 2, WHITEFISH

**Opening Statement by Sponsor:**

**SEN. DAN WEINBERG** opened the hearing on **SB 460**, a bill to remove an ambiguity from the code. Presently the law says that a school jurisdiction shall not be permitted to have more than one mail ballot election in a single day. The code does not make unified school districts clear. They would like to be permitted to have a mail ballot election for both parts of a unified school district rather than have the county perform the balloting. The bill affects 105 unified districts across Montana; among them are Great Falls, Helena, Missoula and Glendive. The bill will allow a unified school district to run a mail ballot school bond election that covers one administrative unit (which is technically two school districts). This allows the school district to remain in control of its own election.

**Proponents' Testimony:**

**Bob Vogel, Montana School Boards Association**, rose in support of the bill. The bill is a clarification in Statute that needs to happen.

**Rick Chiotti, representing State Superintendent of Schools, Linda McCulloch**, testified that the bill is a good change. It will allow an elementary district and a high school district in the same area to run mail ballots for bond issues that would be used by both districts. He said that if there are questions they can be directed to Joan Anderson, Office of Public Instruction (OPI).

**Darrell Rud, School Administrators of Montana**, informed the Committee he had visited with Superintendent Jerry House from Whitefish and Mr. House had asked the Committee to support the bill, as it is important to them.

**Opponents' Testimony:** None

**Informational Testimony:** None

**Questions from Committee Members and Responses:** None

**Closing by Sponsor:**

**SEN. WEINBERG** asked that the committee concur with the Senate.  
**{Tape: 1; Side: A; Approx. Time Counter: 0 - 6.5}**

**HEARING ON SB 363**

**Sponsor:** SENATOR CAROL WILLIAMS, SD 46, Missoula

**Opening Statement by Sponsor:**

**SEN. CAROL WILLIAMS** opened the hearing on **SB 363**, which was brought at the request of the Special Education Department at OPI. The bill revises State law relating to the Federal Individuals With Disabilities Act, provides OPI with additional flexibility to reduce the burden of paperwork on teachers and specialists in schools, and accomplishes general housekeeping.

**Proponents' Testimony:**

**Bob Runkel, Director of Special Education, OPI, representing State Superintendent Linda McCulloch**, rose in support of the bill and presented written testimony.

**EXHIBIT**(edh64a01)

*{Tape: 1; Side: A; Approx. Time Counter: 6.5 - 16.2}*

**Darrell Rud, Montana Council of Administrators of Special Education**, stood in support of the bill. He said that the organization felt it went a long way toward better alignment of state and federal rules and regulations. He cited the diminished paperwork and the opportunity for less meetings involving students, staff and parents.

**Bob Vogel, Montana School Boards Association (MSBA)**, rose in support of the bill. He stated that Special Education is a fairly complex undertaking for school districts and they need expertise like Bob Runkel's to help MSBA administer programs in school districts. He drew the Committee's attention to Page 4, Line 7 and noted that an amendment had been added in a Senate Committee. The language was out of the old Statute that was repealed and MSBA thought it was important to re-insert the language into the bill.

**Opponents' Testimony:** None

*{Tape: 1; Side: A; Approx. Time Counter: 16.2 - 18}*

**Informational Testimony:** None

**Questions from Committee Members and Responses:**

**REP. ANDERSEN** sought information from Bob Runkel. She said that combining the Child Study Team (CST) and the Individualized Education Program (IEP) meeting is a good one. She asked if he thought parents might like to have time to think about the

ideas and suggestions from the CST meeting before they came back for the IEP portion. **Mr. Runkel** thought that definitely could be true. Administrative rules are set up to allow a 15-day time period before there is a requirement to act, and parents can approve or disapprove the action of the IEP during that time.

**REP. ANDERSEN** asked if the process he had described was in the bill. **Mr. Runkel** said that it was not in the bill. Montana State Administrative Rules have a provision that establishes the circumstances under which a school can implement an IEP if a parent does not act on the request of the school for implementing the IEP. He said it is in Administrative Rules, not in Statute.

**REP. ANDERSEN** testified that she had understood the IEP and CST meetings would be held at the same time and asked if that was correct. **Mr. Runkel** said she had understood correctly. If they do that, the CST meeting (evaluation of eligibility meeting) and the program development meeting (IEP meeting) occur at the same time. He stated that the starting gate for both the identification and the program would occur at the meeting and they would have 15 days to decide if they agree with the result.  
**{Tape: 1; Side: A; Approx. Time Counter: 18 - 21.9}**

**CHAIRMAN GALVIN-HALCRO** asked if there are Administrative Rules allowing a surrogate parent to give permission to get a child tested. **Mr. Runkel** said there are a lot of factors involved in that type of situation and he will visit further after the Hearing.

**REP. KOOPMAN** asked about Section 2, Subsection 11 that contains inserted language about a homeless child with a disability. He asked how a homeless child is defined under Federal law. **Mr. Runkel** said the definition is in Federal law and is the McKinney Act. He did not believe that transient children would place an additional burden on schools. If the child is living within the boundaries of the district, that is his point of access to a Special Education program and is in existing law. He said that this would justify to the Department of Education they are meeting the needs of all children, including the homeless.

**Closing by Sponsor:**

**SEN. WILLIAMS** closed by thanking the Committee for a good Hearing. She asked **REP. RASER** to carry the bill on the House floor if the bill passes.

**{Tape: 1; Side: A; Approx. Time Counter: 21.9 - 25}**

**HEARING ON SB 419****SEN. DON RYAN, SD 10, GREAT FALLS****Opening Statement by Sponsor:**

**SEN. DON RYAN** opened the hearing on **SB 419**, a bill to revise the moratorium on creation of new school districts. He stated that if the Ophir School District (OSD) had not been in existence, the Big Sky area would not have developed the way it has. He noted the parents would have had to allow their elementary children to take the long school bus ride into Bozeman for school. He said, "If we want development in Montana and we want local control this is one of the things we must look at." He said that because of the tax base that might be lost in Bozeman, we are harming the economic growth of the Big Sky area.

**{Tape: 1; Side: A; Approx. Time Counter: 25 - 30}**

**Proponents' Testimony:**

**SEN. BILL TASH, SD 36**, said this is a bill to deal with circumstances in the community. A community is very dependent on having a school system to educate the children of the staff. He stated that winter driving is a big concern. People in the community are asking to have the moratorium lifted that precluded them from having a high school in Big Sky. This bill asks that under certain circumstances a high school would be allowed by petition or trustee resolution.

**SEN. GARY PERRY, SD 13**, said that children of many of the constituents that would go to that school are in his district. He noted that the white crosses lining both sides of the road are very disturbing and school buses do not have seat belts. He is testifying today because of his concern for the safety of the children of his constituents.

**Taylor Middleton, General Manager, Big Sky Resort**, stated there are now over 1,500 residents in Big Sky; their school is in Ophir and there are 130 K-8 students in the school. There is no high school so the children have to commute to Bozeman. He presented and read written testimony.

**EXHIBIT**(edh64a02)

**{Tape: 1; Side: B; Approx. Time Counter: 0 - 9}**

**Michele Mauri, mother of 3 children attending Ophir School in Big Sky**, presented and read her written testimony supporting SB 419.

**EXHIBIT**(edh64a03)

**{Tape: 1; Side: B; Approx. Time Counter: 9 - 11.2}**

**Nick Mauri, eighth grade student at Ophir School,** read written testimony supporting the bill and the need for a high school and presented it for the record.

[EXHIBIT](#)(edh64a04)

*{Tape: 1; Side: B; Approx. Time Counter: 11.2 - 13.3}*

**Hannah Bildahl, Big Sky resident attending 9th grade in Bozeman,** sent written testimony in support of the bill. Testimony was read by Jill Bough.

[EXHIBIT](#)(edh64a05)

*{Tape: 1; Side: B; Approx. Time Counter: 13.3 - 15.8}*

**Loren Bough, businessman and father of young children living in Big Sky,** read his testimony and presented it for the record.

[EXHIBIT](#)(edh64a06)

*{Tape: 1; Side: B; Approx. Time Counter: 15.8 - 18.2}*

**Teresa Stroebe, Vice Chair of the Lockwood School Board, School District 26,** said that with 1,200 kids Lockwood is the largest elementary district in the area. She stated she is a proponent of the bill because it is similar to the one proposed by School District 26 at the Delegate Assembly of the Montana School Board Association which raises the issue of local control. It allows school boards to provide what is best for their students. She said that choosing the right path is knowing what you want to achieve. Putting a moratorium on high school districts was not a good path to go down because it causes discrimination against students and puts them in undesirable situations. She stated that harmful activities happen in overcrowded high schools. She said, "To hang onto kids because of tax basis and Average Number Belonging (ANB) is not hanging onto kids because you want their best interests, it is hanging onto a broken funding system." She stated she would like to see the bill amended so that school boards that mutually agree can do what is right for their kids.

*{Tape: 1; Side: B; Approx. Time Counter: 18.2 - 22.2}*

**Joe Mazurek, Lobbyist, Citizens of Big Sky,** passed around a fact sheet about the bill. He asked for support of SB 419 and said he was available for questions.

[EXHIBIT](#)(edh64a07)

**Mike Scholz, Big Sky resident for 33 years, owner of Buck's T-4 Lodge,** sent written testimony for the record.

[EXHIBIT](#)(edh64a08)

**Caroline Henley, Big Sky resident for 15 years,** sent written testimony for the record.

[EXHIBIT](#)(edh64a09)

**Opponents' Testimony:**

**Dave Puyar, Montana Rural Education Association (MREA)**, said they supported the bill in the Senate but it has been amended and they can no longer support it. He said they strongly endorse local control and believe that these decisions are best left in the hands of local schools and communities. He discussed New Section 1, Item D on Page 1 and voiced MREA's reluctant concern that it is poorly written and confusing.

**{Tape: 1; Side: B; Approx. Time Counter: 22.2 - 26.2}**

**Mike Redburn, Superintendent, Bozeman Public Schools**, presented and read his testimony.

**EXHIBIT** (edh64a10)

**{Tape: 1; Side: B; Approx. Time Counter: 26.2 - 31.2; Comments: Continued on Tape 2A}**

**{Tape: 2; Side: A; Approx. Time Counter: 0 - 4.4}**

*Comments: REP. VILLA entered the meeting. It appears that the rest of Tape 2A got recorded over and is out of sequence. The following information is taken from the Secretary's Notes.*

**REP. DIANE RICE, HD 71, HARRISON**, spoke for Doug Walsh of the Ennis School District in opposition to the bill.

**Informational Testimony:**

**Bonnie Maze, Finance Division, Office of Public Instruction (OPI)**, said she was available for questions.

**Questions from Committee Members and Responses:**

**REP. KOOPMAN** asked **REP. RICE** to give the need for a school at Big Sky and asked what their guidelines are. **REP. RICE** said it is all written in Statute.

**REP. KOOPMAN** asked **REP. RICE** what the process is. **REP. RICE** deferred to **SEN. RYAN**. **SEN. RYAN** said that if it is a territory it would be a change, if it is a moratorium it must be lifted. They are looking at redesigning the Ophir district.

**REP. KOOPMAN** asked **SEN. RYAN** what the cost would be to the student. **SEN. RYAN** said that Bozeman would show no loss under the new funding formula.

**REP. KOOPMAN** asked **SEN. RYAN** about the expectation that the formula will be changed. **SEN. RYAN** answered that it would be.

***{Tape: 2; Side: A; Approx. Time Counter Begins at: 21.1;  
Comments: Testimony is on tape at this point.}***

**REP. KOOPMAN** asked if a study would be done at Big Sky to see what they want and whether there are any other options. **Loren Bough** said they need something for the whole community, not just for the wealthy portions. He commented that they considered the private school option if the bill does not pass, but a private school would be divisive to the community.

**REP. KOOPMAN** noted he had not thought about charter schools and this would probably be a good candidate but the legislature won't pass legislation to allow that.

**REP. KOOPMAN** asked whether it was more of a detriment or an advantage for Big Sky kids to "broaden their horizons" by going to a big high school. **Loren Bough** said from personal experience that the time to introduce the real world to children is best done at age 17 or 18, rather than 13 or 14.

**REP. GRINDE** asked **SEN. RYAN** why there is a moratorium. **SEN. RYAN** redirected to Dave Puyar. **Dave Puyar** said he did not know either. **CHAIRMAN GALVIN-HALCRO** said it was because of Fairfield, Vaughn, and Lame Deer Public Schools and several others.

**REP. GRINDE** asked **SEN. RYAN** if the amendments were added in the Senate Education Committee. **SEN. RYAN** said, "Yes."

***{Tape: 2; Side: A; Approx. Time Counter: 21.1 - 24}***

**REP. GRINDE** asked **SEN. RYAN** to comment on the amendments. **SEN. RYAN** said they were added to meet a particular situation in the Ophir district.

**REP. GRINDE** asked if there was other interest in consolidating school districts to create a new district or if this was specific to Big Sky. **SEN. RYAN** said there is interest in other areas. He stated that many of those problems could be alleviated in the future when more elementary districts may have enough population to grow into K-12 districts.

**REP. GRINDE** asked about specific criteria in the bill; i.e., the 40-mile, 60-minute requirement, and whether there is interest in other K-8 school districts becoming K-12 districts. **SEN. RYAN** said, "The way this is written now, nobody else fits."

**REP. BUTCHER** asked **Loren Bough** how they are going to get out from under Bozeman's control. **Loren Bough** said there are two processes in the bill; one would require the agreement of the



high school districts and the second is the petition by 60% of the electorate of Ophir in favor of a hearing by the County Superintendent. He noted that one of the processes does not involve the Bozeman High School District.

**REP. BUTCHER** asked whether they have the ability to pull off a succession. **Loren Bough** said the point of the bill was to remove the moratorium and allow the community to express its interest. He said they will have a compelling argument to make to the County Superintendent if 60% of the community signs a petition requesting an extension.

*{Tape: 2; Side: A; Approx. Time Counter: 24 - 29.9}*

*Comments: TAPE: 2; Side B; Begins*

**REP. BUTCHER** asked if they planned to expand the current facility. **Loren Bough** said they envisioned that a K-8 district would just expand into a K-12 at the same site since land is available there.

**REP. BUTCHER** asked how many students living down the road toward Bozeman would come back to Ophir. **Loren Bough** said the canyon extends 27 miles and Ophir School District extends through Beckman Flats which is 2/3 of the way down the canyon.

**REP. BUTCHER** asked if there would be any infringement on West Yellowstone schools. **Loren Bough** said, "No."

**REP. LAKE** asked Loren Bough what percentage of kids that graduate from eighth grade in Ophir go on to graduate from Bozeman. **Loren Bough** stated Ophir records indicate that slightly less than 50% of Ophir students graduate from Bozeman. He said they have either dropped out, taken their GED, gone to boarding school, attend private school, or moved out of the area.

**REP. LAKE** asked what the cumulative loss of eighth grade students would be and whether the loss of curriculum opportunity would be a major impact to the students staying in the Ophir School after a high school started up. **Loren Bough** said there were no facts to speak to. He pointed out that the higher participation in extracurricular activities in small schools tends to lead to a higher graduation rate. He said that they expect the statistics to hold true for Ophir graduates in Ophir versus Ophir graduates in Bozeman.

*{Tape: 2; Side: B; Approx. Time Counter: 3 - 7.0}*

**REP. LAKE** said that he was referring to the lack of curriculum opportunities, not the extra-curricular activities, because there would be more curriculum offerings in a larger school. He asked if that would influence the educational output for students

coming from a smaller school. **Loren Bough** agreed there would be less curriculum offered. He said there is a natural movement rate of students from any school. The community forum indicated that the trade-off of time and the danger of commuting outweighs the advanced curriculum they would have at Bozeman. Ophir students don't arrive in Bozeman until after first period is ended. He said that limits their ability to take some of the advanced courses and participate in extra-curricular activities.

**REP. BUTCHER** noted the affluence of the Big Sky area and asked Loren Bough whether they envisioned a "model" type of curriculum; i.e., distance learning, college-course availability that would normally be seen in a private school or a focus on heavy academics. **Loren Bough** said Ophir already has programs with Teton Science School and Big Sky Institute. They plan to carry over those kind of creative experiential learning programs into the new high school.

**REP. BUTCHER** noted that half of the students go to private schools and asked if the survey showed that students who went off to college prep schools might be retained with the new high school program. **Loren Bough** noted testimony from Nick Mauri, indicated that only 3 of the 14 students in his class will be going to Bozeman. The majority of those students are choosing to go to boarding school or are moving to Bozeman because of the dangerous commute and the disruption to the family.

**REP. BUTCHER** asked what other avenues of education Big Sky citizens are taking advantage of. **Loren Bough** said the vast majority are moving to Bozeman or attending boarding school and there are four or five home-schooled children in the area.

**CHAIRMAN GALVIN-HALCRO** noted earlier testimony that there were about 100 citizens interested in the school and asked what the population of Big Sky is. **Loren Bough** said there are 1,400 registered voters.

**CHAIRMAN GALVIN-HALCRO** noted testimony indicated that there are about 13 eighth graders and asked if that was fairly consistent each year. **Loren Bough** said that it is.

**CHAIRMAN GALVIN-HALCRO** asked if about 1/3 of these might go to Bozeman, 1/3 might go to a private institution somewhere, and 1/3 might be home-schooled. **Loren Bough** said the home-schooling ratio is much lower.

**CHAIRMAN GALVIN-HALCRO** asked Mr. Mazurek if there is a veto for the Bozeman High School District to use if this bill should pass and they don't agree with the result. **Mr. Mazurek** said there are

two approaches to create a district. One alternative is to make a territory transfer by petition. The second alternative is passage of a resolution by the elementary district trustees to set up an election proposing to create a high school district by expanding the elementary district.

Mr. Mazurek stated that in the case of an election, the Bozeman district would have the option to consent or deny creation of the new district. He noted, "In that respect, Bozeman does have a veto." Under the petition route, if the county superintendent were to determine it would be appropriate to expand to the high school district, the opportunity for the Bozeman district to participate would be in the hearing process and it would be the superintendent's decision.

**{Tape: 2; Side: B; Approx. Time Counter: 6.7 - 16.6}**

**CHAIRMAN GALVIN-HALCRO** asked Loren Bough if he knew the complete dropout rate of Ophir students after eighth or ninth grade even after their Bozeman experience. **Loren Bough** said they requested that information from the Bozeman High School District (BHSD), but BHSD has denied official information for reasons of privacy.

**CHAIRMAN GALVIN-HALCRO** asked how involved discussions have been between Big Sky citizens, Ophir School District and BHSD. **Loren Bough** said discussions have been brief. The first step in August was to ask Superintendent Redburn what he would support. The initial starting point was that any facility in Big Sky would be required to have the same educational curriculum and options that Bozeman offers. He said they felt that goal was not attainable.

**CHAIRMAN GALVIN-HALCRO** asked what would happen with Ophir School and the community if the bill did not pass. **Loren Bough** said the community would be forced to consider a private school as an alternative and they prefer to avoid that issue.

**CHAIRMAN GALVIN-HALCRO** asked Mr. Redburn if he could give an approximation of the dropout rate of students going from Ophir to BHSD. **Mr. Redburn** said that producing records in an easy fashion would require a breach of confidentiality. He stated he does not have the information.

**CHAIRMAN GALVIN-HALCRO** asked how involved he thought the discussions have been between Ophir and BHSD. **Mr. Redburn** said that information has been well represented in testimony. The only additional question he recalled being asked was whether BHSD could build a high school at Ophir, and his answer was that it would be difficult to do because of the financial requirements and limitations. He was also asked by some students who are internationally competitive in skiing, "What if we provide the

space and you give us a teacher?" He said that Montana School Accreditation Standards require teachers to be qualified and certified in all areas and one teacher won't be able to do that.

**CHAIRMAN GALVIN-HALCRO** asked if he saw any room in the bill for compromise between Ophir School District and BHSD. **Mr. Redburn** said he suggested adding an amendment that would provide an opportunity for BHSD to participate in the process, but does not provide veto power. He stated that he is interested in language providing for boundary transfers that would make the financial impact on the existing high school district a major consideration in the decision.

*{Tape: 2; Side: B; Approx. Time Counter: 16.6 - 21.6}*

**REP. RASER** said that the property transfer was in Statute. She discussed the Statute and whether a school district can justify why it would be harmful to the district and said that both districts would be responding to the economic viability at the hearing. **Mr. Redburn** said he did not interpret it that way and he saw that as the new district, not the existing district. **REP. RASER** said that it clearly says "new districts" and that would mean more than one. **CHAIRMAN GALVIN-HALCRO** said that Bozeman would not be a new district.

**REP. RASER** stated that BHSD without Ophir School would be a new district. She said, "Otherwise they would have left it singular in Statute." She felt that issue needed to be clarified. **Mr. Redburn** agreed that needs to be investigated. He said the language he has for an amendment would say the same thing.

**REP. RASER** asked Mr. Redburn if he would have any further objections to the bill if it was clear BHSD would also have the opportunity to present their case to the county superintendent in case there was a hearing. **Mr. Redburn** said, "Any provision that would provide a primary way to the impact of the transfer of the territory on the existing BHSD would be something they would be interested in."

**REP. RASER** discussed a similar situation between Missoula and Seeley Lake where the new Seeley Lake High School remained a part of the existing high school district and asked whether that option had been explored. **Mr. Redburn** said that is the conversation they have had and they feel it is economically unfeasible in that small of a setting.

*{Tape: 2; Side: B; Approx. Time Counter: 21.6 - 28.6; Comments: Mr. Redburn's testimony continues on Tape: 2; Side: A; Approx. Time Counter: 4.4}*

**REP. RASER** said the residents realize that the same options with the diversity of classes would not be available at Ophir as those that were offered at Bozeman and asked whether an accredited program could be offered. **Mr. Redburn** said it could be done at a per-pupil cost that they could not justify to the balance of the school district and there would also be reductions in programs and expenditures in the balance of the school district. He said that a 500-600 student school west of Bozeman would increase the operational cost by \$1.5 million or more.

**REP. ANDERSEN** asked Loren Bough if there are 1,400 registered voters in Big Sky. **Loren Bough** acknowledged that was according to the 2000 Census.

**REP. ANDERSEN** asked if there are 100 children in the K-8 school. **Mr. Bough** said there are 133 students.

*{Tape: 2; Side: A; Approx. Time Counter: 4.4 - 6.2}*

**REP. VILLA** referred to Page 1 on the Fiscal Note and asked whether this information was correct. **Ms. Maze** agreed and said OPI would pick up about \$225,000 for the new high school.

**REP. VILLA** asked if the \$225,000 was currently included in HB 2. **Ms. Maze** said OPI determined this would not happen in the first two years and those additional costs are not included in the Fiscal Note.

**REP. VILLA** clarified that eventually the rest of the state will pick up an additional \$225,000 for the new district. **Ms. Maze** said that was true.

**REP. VILLA** referred to Page 2, Item 6 of the Fiscal Note and asked how much of the \$1.64 million and \$0.28 million direct State aid is for Ophir. **Ms. Maze** said it was not individualized. She referred to Item 2 of the Assumptions on Page 1.

**REP. VILLA** referred to Page 1, Lines 23-24 of the bill and asked what happens in the first three years after the new district is created. **Ms. Maze** said OPI would look at the same processes a county superintendent does when they open a school. She stated the county superintendent would have to require that certain mandatory conditions would be in place before going any further.

**REP. VILLA** said the district could potentially have two years where they are not meeting the 50-student enrollment but in year three there would be 50 signed letters saying, "We will attend this school; please continue our base aid as well as the pro-rated portion of \$1.9 million in direct state aid." **Ms. Maze**

said that they have to go through the entire process of petition or election, build a school or provide housing for the school and make sure they have 50 students in the first three years. There would have to be a plan in the petition on what the new district intends to accomplish.

**REP. VILLA** asked what a mill is worth in Ophir and Bozeman locations; whether there is a significant difference. **Ms. Maze** estimated \$14,000/mill in Ophir School District. She said Bozeman would be much less.

**{Tape: 2; Side: A; Approx. Time Counter: 6.2 - 14.2}**

**REP. BUTCHER** asked Loren Baugh if Big Sky would become more of a destination place for affluent young families if the high school was in place. **Loren Baugh** said they feel that the high school would be an "engine" for growth in the community.

**REP. BUTCHER** asked if the number of students should be changed or if 50 is okay for the baseline. **Loren Baugh** said they would prefer for the number to be brought back down because of the technical issues of creating a high school.

**{Tape: 2; Side: A; Approx. Time Counter: 14.2 - 16.6}**

**Closing by Sponsor:**

**SEN. RYAN** referred to testimony by REP. RASER and said those concerns are already in Statute and have to be considered at the hearing. He noted that county superintendents are elected officials and they have to look at the whole county in making their decision. He noted the following:

- 1) Bozeman is not able to meet the needs of the population in question, but they are doing the best they can with the resources they have.
- 2) There are concerns about how to determine the base number. Central High School in Great Falls started with the freshmen class and built it one grade at a time.
- 3) This bill stops where the moratorium currently does and that hampers the ability of a growing community to attract people. They don't want home schooling to be the only option.
- 4) Montana has to look at Big Sky as a growing community.
- 5) There are problems with current funding structure; bonding issuance, funding formula and basic entitlements. The need a funding formula that works for the 21st century.

**{Tape: 2; Side: A; Approx. Time Counter: 16.6 - 21.1}**

- 6) Make sure that taxing jurisdictions don't get in the way of quality education.

**{Tape: 3; Side: A; Approx. Time Counter: 0 - 1}**

**CHAIRMAN GALVIN-HALCRO** asked the Committee to do Executive Action next.

**EXECUTIVE ACTION ON SB 363**

**Motion:** REP. BRANAE moved that SB 363 BE CONCURRED IN.

**Discussion:**

**REP. RASER** said she has worked with Mr. Runkel and this is consistent with new requirements. She said that parents prefer not to have it all in one meeting and that option is still there. Combining the meetings would allow more flexibility under certain conditions.

**REP. LAKE** asked for clarification of Page 4 that adds a change from age 19 up to 22 years of age. **REP. RASER** said that is permissive and is currently in law. It says that districts may serve students with disabilities beyond what is required by law but they receive no additional funding.

**Vote:** Motion carried unanimously 16-0 by voice vote.

REP. RASER will carry the bill on the House floor.

**EXECUTIVE ACTION ON SB 460**

**Motion/Vote:** REP. BRANAE moved that SB 460 BE CONCURRED IN.

Motion carried unanimously 16-0 by voice vote.

**CHAIRMAN GALVIN-HALCRO** asked REP. VILLA to carry the bill on the House floor and adjourned the meeting.

***{Tape: 3; Side: A; Approx. Time Counter: 0 - 6}***

**ADJOURNMENT**

Adjournment: 5:35 P.M.

REP. KATHLEEN GALVIN-HALCRO, Chairman

LINDA KEIM, Secretary

KG/lk

Additional Exhibits:

**EXHIBIT ([edh64aad0.TIF](#))**